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INFO RUCNASE/ASEAN MEMBER COLLECTIVE
RUEHBK/AMEMBASSY BANGKOK 3144
RUEHBJ/AMEMBASSY BEIJING 2470
RUEHBY/AMEMBASSY CANBERRA 2388
RUEHKA/AMEMBASSY DHAKA 5335
RUEHLO/AMEMBASSY LONDON 2297
RUEHCN/AMCONSUL CHENGDU 1926
RUEHCHI/AMCONSUL CHIANG MAI 2401
RHHMUNA/CDR USPACOM HONOLULU HI
RUEKJCS/JOINT STAFF WASHDC
RUEKJCS/DIA WASHDC
RUEAIIA/CIA WASHDC
RHEHNSC/NSC WASHDC
RUEKJCS/SECDEF WASHDC

UNCLAS SECTION 01 OF 02 RANGOON 000054

SENSITIVE
SIPDIS

STATE FOR EAP/MLS, INR/EAP,
PACOM FOR FPA

E.O. 12958: N/A
TAGS: [ECON](#) [EFIN](#) [ETRD](#) [PREL](#) [PGOV](#) [PINR](#) [BM](#)
SUBJECT: BURMA: DESPITE PAY RAISE, CIVIL SERVICE SALARIES
REMAIN LOW

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Summary

11. (SBU) Effective December 31, 2009, Government of Burma (GOB) employees in wage and salaried positions received pay raises. For the lowest paid employees this increase more than doubled pay, to just over USD1 per day. Higher paid officials saw more modest gains and the highest salaries now top out around USD220 per month. Inflation since the last pay increase in April 2006 offsets most of the gains. Despite this election-year pay raise, public sector employees remain poorly paid and many face pressure to find outside sources of income, either licit or illicit. End summary.

Salaries Double in Some Cases...

12. (SBU) Confirming rumors that have been swirling about an election-year pay increase, the GOB's official gazette published a notice January 22 that civil servants have received raises. The notice, issued by Minister of Finance and Revenue Major General Hla Tun and dated December 31, 2009, cited Tatmadaw (Burmese military) concern for the welfare of civil servants and the approaching Armed Forces Day (March 27). The new scales revealed in the announcement are substantially higher than those in effect between 4/2006 and 12/2009.

13. (SBU) Under the new schedule, GOB wage workers are paid at the rate of 1100 Burmese kyat (K) (USD 1.10 at the prevailing unofficial exchange rate) per day, more than double the previous daily wage of K 500 (USD 0.50). Salaried workers also received substantial increases. For those on the lowest-paid tier, salaries basically doubled, while those in the higher tiers saw more modest gains. The last GOB pay increase was in April 2006 when wage workers saw their pay jump from K100 to K500.

But Don't Quit Your Night Job...

¶5. (SBU) Even with these seemingly significant pay increases, likely intended to curry favor in advance of the 2010 elections, GOB employees are very poorly paid. Wage workers now make about USD 1 per day and the highest paid civil servants (below minister level) earn about USD 220 per month.

Many civil servants operate private businesses or have second jobs to augment their government salaries. Low government salaries also contribute to widespread official corruption. Transparency International ranked Burma as the third most corrupt country in its latest rankings. While the higher salaries are undoubtedly welcome, they are unlikely to remove the financial pressures on most civil servants. Accurate inflation estimates for Burma are elusive; but knowledgeable sources place 2006-2009 cumulative inflation in the neighborhood of 50 percent. For the lowest paid workers this pay increase might actually be a modest increase in purchasing power, but those on the higher rungs of the civil service ladder actually have less purchasing power now, after the raise, than they did in 2006.

¶6. (SBU) The total number of public sector employees in Burma is unclear. A 2005 estimate presented at an ASEAN conference on civil service issues described the GOB civil service as approximately one million strong. More recent estimates are not available. Likewise, breakdowns for numbers of employees in each pay category are not available.

GOB Salary Scale

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¶7. (SBU) The GOB monthly salary scale follows (K1,000 = approx. US\$ 1).

Title	Old Salary	New
Salary		
Assistant Helper	K15,000-K20,000	
K35,000-K40,000		
Helper	K21,000-K26,000	
K41,000-K46,000		
Lower Divisional Clerk	K27,000-K32,000	
K47,000-K52,000		
Upper Divisional Clerk	K33,000-K38,000	
K53,000-K58,000		
Branch Clerk	K39,000-K44,000	
K59,000-K64,000		
Superintendent	K45,000-K50,000	
K65,000-K70,000		
Staff Officer/	K80,000-K90,000	
K100,000-K110,000		
Assistant Manager		
Assistant Director/	K100,000-K110,000	
K120,000-K130,000		
Manager		
Deputy Director/	K120,000-K130,000	
K140,000-K150,000		
Assistant General Manager		
Director/	K140,000-K150,000	
K160,000-K170,000		
Deputy General Manager		
Deputy Director General/	K160,000-K170,000	
K180,000-K190,000		
General Manager		
Director General/	K190,000-K200,000	
K210,000-K220,000		
Managing Director		

DINGER